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SUBJECT: BRAZIL ELECTIONS: LULA RE-ELECTED IN DECISIVE
VICTORY

REF: A. BRASILIA 2193

[1](#)B. BRASILIA 2157

[1](#)C. BRASILIA 2100

[1](#)1. (U) Summary. President Luiz Inacio Lula da Silva (Workers Party - PT) was re-elected to a second four year term on October with 59,295,042 votes, or 60.83 percent of the vote. Challenger Geraldo Alckmin (Brazilian Social Democracy Party - PSDB) received 37,543,178 votes, or 39.17 percent. Lula's victory follows a hard-fought campaign that went to a second round after the mid-September revelation of a political scandal deprived Lula of a first round win on October 1. After four additional weeks of campaigning Lula was able to defeat Alckmin by arguing that under Lula's government, the poor have fared better than they would under Alckmin and by accusing Alckmin of plans for large scale privatization (which Alckmin denied.) Lula won 19 of the 26 states and the Federal District. Ten states had second round gubernatorial contests. Roseana Sarney, daughter of former president Sarney, lost her bid to become governor of Maranhao, and will return to her Senate seat. End summary.

[1](#)2. (U) Lula was re-elected in second round voting with victories in 19 states and the Federal District, including several states he lost in the first round. As in round one, he won the whole northeast, all of the north except tiny Roraima. Alckmin still carried much of the south, but Lula won over the Federal District, Goias, Mato Grosso, Acre, and Rondonia.

[1](#)3. (U) Ten of the twenty-seven gubernatorial races went to a second round. The surprise was the loss of Roseana Sarney to become governor of Maranhao, putting an end to a forty year period of family dominance. Her father is former president Jose Sarney (PMDB - Brazilian Democracy Movement Party), currently a senator from Amapa. Despite her loss, Roseana retains her seat in the Senate, where she was elected in 2002 to an eight year term from the Liberal Front Party (PFL). Some observers now expect her to switch to the PMDB after she campaigned actively for Lula and was threatened with sanctions by the PFL leadership. In Pernambuco, Eduardo Campos, grandson of Miguel Arraes, a legendary figure in the state, was elected governor. In Rio Grande do Sul, Yeda Crusius will become both the first woman and the first PSDB politician to govern the state.

[1](#)4. (U) Gubernatorial results
Goias: Alcides Rodrigues (Progressive Party) over Maguito Vilela (PMDB)
Maranhao: Jackson Lago (Democratic Workers Party - PDT) over Roseana Sarney (PFL)
Para: Ana Julia Carepa (PT) over Almir Gabriel (PSDB)

Parana: Roberto Requiao (PMDB) over Osmar Dias (PDT)
Paraiba: Cassio Cunha Lima (PSDB) over Jose Maranhao (PMDB)
Pernambuco: Eduardo Campos (Brazilian Socialist Party - PSB)
over Jose Mendonca Filho (PFL)
Rio de Janeiro: Sergio Cabral (PMDB) over Denise Frossard
(Socialist Peoples Party - PPS)
Rio Grande do Norte: Wilma de Faria (PSB) over Garibaldi
Filho (PMDB)
Rio Grande do Sul: Yeda Crusius (PSDB) over Olivio Dutra (PT)
Santa Catarina: Luiz Henrique da Silveira (PMDB) over
Espiridiao Amin (PP)

15. (U) The gubernatorial results will affect the alignment of power in the Senate, since several senators were candidates for governor or vice governor. After round one, the PFL was the largest party, but after round two, the PFL and PMDB have 18 senators each. If Roseana Sarney (PFL) switches to the PMDB, she will make the PMDB the largest party, giving it the right to choose the president of the senate. The government v. opposition balance in the senate is now less clear than after round one, when the opposition gained a clear majority. The pro-government senators could still hang on to their majority.

16. (U) Comment. President Lula took pains in his victory speech to hold out an olive branch to the opposition, stating that his win is a win for all Brazilians, and that there are now no adversaries. He said the adversary is social injustice. He will reach to all "congressional forces" during his second term with no "veto" against anyone. If Lula is successful, he may avoid the "third round" scenario that some opposition figures advocate, in which they will hound him on corruption issues, and press for a court

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decision over misconduct by his campaign. Some analysts are already signaling that leading PSDB figures such as Jose Serra and Aecio Neves will opt for conciliation in order not to appear obstructionist, and to enhance their own presidential chances in 2010. End comment.
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